9th July 1952]

MRS. M. N. CLUBWALA :—" Is the Hon. Minister aware that immoral traffic is very much on the increase due to many lapses in the existing Act?"

THE HON. SRI K. P. KUTTIKRISHNAN NAIR :—" That is why, Sir, an amendment is sought for."

[*Note.*—**An asterisk (*) at the commencement of a speech indicates revision by the Member.**]

II.—ANNOUNCEMENT BY THE HON. CHAIRMAN.

ELECTION OF A MEMBER TO THE STATE LIBRARY COMMITTEE.

MR. CHAIRMAN :—" I have to announce to the House that the following persons were nominated for election of one member by the Legislative Council to the State Library Committee :—

(1) Sri Alexander Gnanamuttu, M.L.C.

(2) Sri E. H. Parameswaran, M.L.C.

" As the number of candidates nominated exceeded one, an election was held to-day between 2 p.m. and 3-30 p.m. After the election was over, counting of votes took place. The result of the counting was as follows :—

(1) Sri E. H. Parameswaran, 34.

(2) Sri Alexander Gnanamuttu, 9.

Invalid papers, nil.

" I hereby declare Sri E. H. Parameswaran duly elected to the State Library Committee."

III.—GOVERNMENT BUSINESS.

GENERAL DISCUSSION ON THE BUDGET FOR THE YEAR 1952–53—*cont.*

SRI T. PRAKASAM (continued from the previous day, 8th July 1952) :—" Mr. Chairman, Sir, yesterday I was mentioning that it would not be possible to secure any economic recovery in the country unless and until the debt that stands against the Government is discharged. There is no chance of that debt being discharged under the present system of Government with its present economic policy. As I mentioned yesterday, the first Paper Currency Act was passed in 1861. Long before that, the British people who had taken possession of this country started an exchange ratio business in or about 1801. As that went on, in 1861, the British Government passed the Paper Currency Act. Under that Act, Rs. 4 crores worth of Government securities alone were exempted and the rest should be backed by metallic securities—gold and silver. In that way Rs. 44 crores was put in circulation through currency notes and that state of affairs had continued for 53 years when the first World War broke out in 1914. One could imagine how during the whole of that period of 53 years, there was no economic trouble in the country on account of paper currency or exchange ratio or any of those things to the extent to which they

4-15 p.m.